

Message Text

UNCLASSIFIED

PAGE 01 STATE 151187

13

ORIGIN COME-00

INFO OCT-01 EUR-06 ISO-00 EB-05 RSC-01 /013 R

66617

DRAFTED BY: BIC/OIM/MRD/WDAWSON

APPROVED BY: EB/OCA/REP:LAKLIEFORTH

BIC/OIM/MRD/NBASSETT-216

BIC/OIM/RCD/CGENDREAU-216

----- 106108

R 122123Z JUL 74

FM SECSTATE WASHDC

TO AMEMBASSY THE HAGUE

UNCLAS STATE 151187

E.O. 11652: N/A

TAGS: BEXP, NL

SUBJECT: GMR: SUPPLEMENTARY REPORT TO NSS STUDY OF 3/74-PC
INSTRUMENTATION MARKET IN NETHERLANDS

REF: A) THE HAGUE 3327; B) STATE 105071

1. SUBJECT REPORT FROM CONTRACTOR (NSS) DATED JULE 28, 1974
AND TITLE "PARTIAL REPLY TO TELEGRAM--OF MAY 21, 1974"
FRUSTRATING AND PERPLEXING. REF B CALLED FOR SUPPLEMENTARY
INFORMATION BY JUNE 17 IN ELEVEN (11) OF THE MESSAGE'S SIXTEEN
PARAGRAPHS I.E. PARA 2,3,6,7,8,9,10,11,12,14,15. NSS REPLY
CONTAINS SATISFACTORY INFORMATION ONLY WITH RESPECT TO PARAS
7,11,12,15.

2. REF B STATES COMMERCE PREPARED TO CONTACT U.S. FIRMS
FOR ASSISTANCE THEIR DUTCH SUBSIDIARIES RE SIZE OF MARKET
ESTIMATES "IF NECESSARY" RPT "IF NECESSARY". IN ABSENCE
IMMEDIATE REQUEST FROM NSS FOR SUCH ASSISTANCE ASSUMED NSS
HAD PROCEEDED ON OWN AS THEY FULLY EXPECTED TO HAVE DONE
ON BASIS THEIR PROFESSED COMPETENCE. INCOMPREHENSIBLE WHY
NSS DID NOT INFORM EMBASSY, IMMEDIATELY UPON RECEIPT
SUPPLEMENTARY REPORT REQUIREMENTS, THEIR DESIRE TO HAVE
ASSISTANCE ARRANGED FOR THEM.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 151187

3. WHILE APPRECIATING NSS INVOLVED OTHER BUSINESS BESIDES PCI STUDY CANNOT UNDERSTAND WHY THEIR "PARTIAL REPLY" COULD NOT HAVE BEEN SUBMITTED BY JUNE 17 CONSIDERING HOW LITTLE EFFORT OBVIOUSLY WAS MADE DURING MAY 22-JUNE 17 PERIOD TO SATISFY IN FULL DATA REQUIREMENT SPECIFIED REF B.

4. POINT-BY-POINT REVIEW NSS REPLY FOLLOWS.
BRACKETED NUMBERS CORRESPOND TO BOTH NSS REPLY AND REF B PARAS.

(2) SEE PARA 2. ABOVE. MR. R.B. UNWIN, MANAGER, INTERNATIONAL MARKETING, HONEYWELL, INC., FORT WASHINGTON, PA., PLEDGES HONEYWELL ASSISTANCE AND IN THIS REGARD GIVES FOLLOWING CONTACTS FOR BENEFIT NSS (A) MR. RINUS BLAAUBOER, INDUSTRIAL MANAGER FOR NETHERLANDS, HONEYWELL INTERNATIONAL, B.V. RIJSWIJKSTRAAT 175, AMSTERDAM 1017 (B) MRS. M.G. KEASBERRY, FORECAST COORDINATOR (SAME ADDRESS), (C) MR. JAMES VERBEEK, GENERAL MANAGER (SAME ADDRESS), (D) MR. JACK GIBSON, MANAGER, EUROPEAN DISTRIBUTION CENTER, HONEYWELL INT'L, KRUISWEG 603, DR JOEK. NSS SHOULD ARRANGE FOR PERSONAL INTERVIEWS WITH THESE OFFICIALS IN ORDER LISTED AND FREE TO USE UNWIN'S NAME AND EXPRESSION INTEREST IN PROJECT BY WAY OF INTRODUCTION. RECOGNIZE OPINIONS DESIRABLE SIMILAR CONTACTS AT LEAST ONE ADDITIONAL SUBSIDIARY BUT TIME LOSSES IN SURVEY NOW A SERIOUS FACTOR. NSS SHOULD CERTAINLY NOT HESITATE TO ASK BLAAUBOER, KEASBERRY, ETC FOR NAMES COUNTERPARTS IN FOXBORO OR OTHER SUBS IF NSS CAN CONDUCT FURTHER INTERVIEWS WITHIN TIME FRAME GIVEN BELOW FOR COMPLETION SUPPLEMENTARY REPORT. REQUIREMENT FOR REVISED TABLE 21.01 AS SPECIFIED IN REF B REMAINS.

(3) NSS REPLY NOT UNDERSTOOD. COMMERCE READS TABLE 21.02 AND P. 11 OF STUDY AS FOLLOWS: (A) ESTIMATED TOTAL CAPITAL INVESTMENT BY PROCESS INDUSTRIES IN 1973 - \$125-140 MILLION (B) ESTIMATED TOTAL INVESTMENT BY PROCESS INDUSTRIES IN 1973 IN PC INSTRUMENTATION - \$50-60 MILLION OR APPROXIMATELY 40 PERCENT OF TOTAL CAPITAL INVESTMENT. IF THIS READING CORRECT THEN TABLE 21.02 DEFINITELY CONTRADICTORY WITH NSS OWN UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 151187

FINDING THAT APPROXIMATELY "TEN (10) PERCENT OF THE TOTAL INVESTMENTS BY PROCESS INDUSTRIES IS FOR PC INSTRUMENTATION." CLARIFICATION THIS MATTER STILL NEEDED.

(4) NO COMMENT.

(5) NSS REPLY HERE (AND ELSEWHERE) SUGGESTS PROBLEMS IN

INTERPRETATION COMMERCE SPECS, GUIDELINES, ETC.
IF AT ALL POSSIBLE MEETING WITH NSS URGED TO INSURE
COMPLETE UNDERSTANDING NSS THIS MESSAGE, REF B, ETC.
PROBLEM WITH THIS ITEM SUMMARIZED AS FOLLOWS: STUDY
REPORT P. 14 ACKNOWLEDGES TABLE 22.01 OF ACTUAL IMPORTS
CONTAINS "NOT ONLY PC INSTRUMENTATION BUT ALSO
INSTRUMENTS FOR OTHER APPLICATIONS". NSS MUST AGREE
THEREFORE THAT IMPORT VALUES SHOWN UNDER 902832, FOR
EXAMPLE, (AND UNDER MOST OTHER CLASSIFICATIONS
LISTED IN THE TABLE) INCLUDE VALUES FOR INSTRUMENTS
NOT SOLD FOR PC APPLICATIONS. SUCH VALUES MUST BE
ESTIMATED AND EXCLUDED FROM TABLE 21.01 WHICH IS TO
SHOW ONLY ESTIMATED VALUES FOR INSTRUMENTS PRODUCED,
IMPORTED, EXPORTED FOR PC APPLICATIONS. NSS HAS NOT
DONE THIS. IT WOULD SEEM THEY THOUGHT IT SUFFICIENT
TO SIMPLY IDENTIFY INSTRUMENT CLASSIFICATIONS THAT DO
OR DO NOT CONTAIN PC-TYPE INSTRUMENTS.

(6) NSS REPLY NOT SATISFACTORY FOR SAME REASONS GIVEN (5)
ABOVE.

(7) NO COMMENT.

(8) ASSUME "ANORGANIZ" MEANS "INORGANIZ". RESEARCH SPECS
LEFT NO ROOM FOR NSS SUPPOSITION "THAT A CERTAIN
DIVERSIFICATION WAS DESIRABLE."

(8) & (10) SEE PARA 2 ABOVE. CONSIDERED INEXCUSABLE THAT NSS
DID NOT OBTAIN FROM END-USERS, DURING MAY 22-JUNE 28
PERIOD, SUPPLEMENTARY INFORMATION SPECIFIED REF B.

(11) SATISFACTORY REPLY.

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STATE 151187

(12) SATISFACTORY REPLY.

(13) REGRET (A) THAT EMBASSY VIEWS ON EXPORTS NOT PASSED
TO NSS UPON RECEIPT REF B AS REQUESTED, (B) THAT
NSS DID NOT SEE FIT TO ASK EMBASSY FOR VIEWS.

(14) NSS REPLY UNSATISFACTORY. CONTRACTOR NOT GIVEN
PERMISSION TO MAKE JUDGEMENT REGARDING INFORMATION TO BE
INCLUDED IN OR EXCLUDED FROM TRADE LISTS. MAJOR
PROSPECTIVE CUSTOMERS LIST TO BE RESUBMITTED IN
ACCORDANCE WITH INSTRUCTIONS GIVEN IN PARA 14 OF REF B.

(15) SATISFACTORY REPLY. END OF POINT-BY-POINT REVIEW
OF NXX JUNE 28 REPLY.

5. SUPPLEMENTARY INFORMATION SPECIFIED REF B AND NOT
FURNISHED IN NSS REPORT OF JUNE 28 TO BE SUBMITTED TO
EMBASSY NOT LATER, THAN JULY 29. REQUEST EMBASSY AIRMAIL
TWO (2) COPIES THIS INFORMATION UPON RECEIPT.

6. AUTHORIZATION FINAL PAYMENT CONTRACT WITHHELD PENDING
COMMERCE ACCEPTANCE SUPPLEMENTARY INFORMATION STILL DUE.
KISSINGER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 12 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE151187
Document Source: CORE
Document Unique ID: 00
Drafter: BIC/OIM/MRD/WDAWSON
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740187-1114
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740752/aaaabsnb.tel
Line Count: 177
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: A) THE HAGUE 3327; B) STATE 105071
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 04 OCT 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 OCT 2002 by ThomasVJ>; APPROVED <16 JAN 2003 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GMR: SUPPLEMENTARY REPORT TO NSS STUDY OF 3/74-PC INSTRUMENTATION MARKET IN NETHERLANDS
TAGS: BEXP, NL
To: THE HAGUE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005